

NAVAL OFFICER AT CHICAGO.

JANUARY 22, 1904.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. BOUTELL, from the Committee on Ways and Means, submitted the following

REPORT.

[To accompany H. R. 4818.]

The Committee on Ways and Means, to whom was referred the bill (H. R. 4818) providing for an additional officer in the district of Chicago, in the collection district of Indiana and Illinois, having considered the same, beg leave to report back and recommend the passage of the bill.

This bill provides for the creation of a naval officer in the customs collection district of Chicago, in connection with the collection of customs at that port.

The duties of a naval officer, as provided by the statutes, are:

First. To receive copies of all manifests and entries.

Second. To estimate, together with the collector, the duties on all merchandise subject to duty, and no duties shall be received without such estimates.

Third. To keep a separate record of such estimates.

Fourth. To countersign all permits, clearances, certificates, debentures, and other documents, to be granted by the collector.

Fifth. To examine the collector's abstracts of duties and other accounts of receipts, bonds, and expenditures, and certify the same if found right.

These duties of a naval officer, as practically defined, mean that the naval officer is really the auditing officer at the local port where he is situated. When entry of imported goods is made by the importer or his agent an estimate is made of the amount of the duties. The amount estimated as the amount of duties is paid by the importer to the collector, but no final adjustment and liquidation of the entry can be made until the entry and the estimated amount of duties have passed through the hands of an auditing officer.

At those ports where naval officers are located this auditing is done by the naval officer, but at other ports these accounts are required to be sent to Washington for final adjustment and liquidation. Under the law no protest can be made by the importer as to the amount of duties until after final liquidation. The result is that in case of doubt or disagreement no importer can be absolutely certain what shall be determined to be the amount of duties to be finally paid by him until after the account has been settled and liquidated.

At all of the other large collection ports in the United States except Chicago there are now naval officers who can finally adjust and liquidate these accounts and entries, but the accounts from Chicago are required to be sent to the office in Washington.

Chicago is now the fourth largest collection port in amount of duties collected and the second port in the variety of goods imported. The result of the bill is simply to give to Chicago the same facilities now possessed by New York, Philadelphia, Boston, Baltimore, New Orleans, and San Francisco.

While the creation of this office naturally may entail some additional expense to the Government, it simply will transfer from Washington to Chicago the auditing of these accounts and will not impose any additional work upon the Government other than now performed.

The bill is petitioned for earnestly by the large importing houses in Chicago, is recommended for passage by the Treasury Department, and meets the approval of your committee.

We attach herewith, as part of this report, the petition from Chicago and various letters showing reasons why the bill should pass.

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, December 9, 1903.

SIR: I have the honor to acknowledge the receipt of your letter dated the 7th instant, with which was transmitted, for an expression of my views thereon, H. R. 4818, providing for the creation of the office of naval officer of customs in the district of Chicago, and to advise you that the passage of such bill will meet with the approval of this Department.

Respectfully,

H. A. TAYLOR,
Acting Secretary.

HON. SERENO E. PAYNE,
Chairman Committee on Ways and Means, House of Representatives.

PERSONAL.]

TREASURY DEPARTMENT,
Washington, November 18, 1903.

MY DEAR CONGRESSMAN MANN: I inclose herewith the letters left at my office the other day and the draft of a bill which, in the opinion of the Department, will meet every necessity for a naval officer at the port of Chicago. I do not think there is any necessity of making the bill more explicit, and suggest the advisability of introducing it in this form.

There is absolutely no necessity for a surveyor at Chicago.

With kindest personal regards, I am, very truly, yours,

R. B. ARMSTRONG.

HON. JAMES R. MANN, M. C.,
House of Representatives, United States.

TREASURY DEPARTMENT,
Washington, January 21, 1904.

MY DEAR MR. MANN: I am in receipt of your telegram in the matter of protests at Chicago.

The law requires that a protest against the rate or amount of duties shall be filed within ten days after liquidation of the entry. Payment of duties is necessary before action can be taken on the importer's appeal. The requisite steps are more expeditiously taken at a port where there is a naval officer, and it is to the interest of both the Government and the importer to have a naval officer at Chicago.

Very truly, yours,

R. B. ARMSTRONG.

HON. JAMES R. MANN,
House of Representatives.

DEAR SIR: We, the undersigned, importers and merchants doing business at the port of Chicago, respectfully petition an act of Congress providing for the establishment of a naval office at the port of Chicago, the duties of which office are set forth in section 2626 of the Revised Statutes. A much speedier final adjustment and liquidation of all customs business being obtained at ports having naval offices, and as this port now ranks fourth in volume of imports and second only to New York in variety of same, we feel that we are justly entitled to all the facilities for the transaction of customs business accorded other ports.

Wm. Schimpferman Co., Marshall Field & Co., Carson, Pirie, Scott & Co., John V. Farwell Company, Mandel Brothers, Schlesinger & Mayer, Lyon Brothers, Ad. Stark & Co., D. Stuettnier & Co., Francis T. Simmons Co., Jean B. Alexander, Secretary, John M. Griffith Co., Jno. L. Bobo & Co., E. Hecht & Co., Straus Bros. Co., M. J. Neau & Co., Sutter Bros., E. J. Wildman & Co., Galloway Glass Co., Wilson Bros., Chas. Rubens & Co., Roberts & Lydick, Carter & Holmes, Diggles & Gordon, A. B. Fiedler & Sons, John H. Meyer & Son, Marshall F. Holmes, Manager American Sugar and Refining Co., E. E. Naugle Tie Co., Grommes & Ulrich, F. Duhi, Secretary.

HON. JAMES R. MANN,
House of Representatives, Washington, D. C.

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TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, December 16, 1903.

SIR: In reply to your request addressed to the Bureau of Statistics and referred to this Department for reply, I have the honor to state as follows:

Receipts from customs at the fifteen ports and districts showing the largest receipts during the fiscal year 1903.

New York, N. Y.....	\$181, 199, 757. 38	Tampa, Fla.....	\$1, 318, 031. 88
Boston, Mass.....	23, 858, 981. 77	Detroit, Mich.....	1, 265, 998. 43
Philadelphia, Pa.....	22, 761, 894. 96	Hawaii.....	1, 155, 274. 68
Chicago, Ill.....	9, 744, 867. 86	Newport News, Va.....	1, 115, 173. 87
New Orleans, La.....	8, 637, 579. 93	Cincinnati, Ohio.....	1, 103, 377. 99
San Francisco, Cal.....	7, 805, 967. 20	Cleveland, Ohio.....	1, 075, 869. 55
Baltimore, Md.....	5, 285, 618. 15	Burlington, Vt.....	1, 044, 823. 90
St. Louis, Mo.....	2, 029, 883. 72		

Respectfully,

L. M. SHAW,
Secretary.

HON. JAMES R. MANN, *House of Representatives.*

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TREASURY DEPARTMENT,
Washington, March 18, 1903.

MY DEAR MR. MANN: Replying to your recent inquiry about the naval officer at Chicago, I take pleasure in inclosing herewith a copy of a letter sent to the Committee on Ways and Means, February 10, 1903. There is no necessity for a surveyor, as there is nothing for a surveyor to do. His duties consist principally of superintending and directing inspectors, weighers, measurers, and gaugers within his port; to visit or inspect the vessels which arrive from foreign ports; and as there is no foreign tonnage in Chicago a surveyor is absolutely unnecessary there so long as there is a collector and an appraiser.

A naval officer is necessary, because he is really the auditor of a port, and his appointment will facilitate all customs business, permit imports to be promptly liquidated, and prevent errors.

The duties of a naval officer are provided for in sections 2616, 2619, 2626, 2639, and 2641 of the Revised Statutes. Most of the sections of the Revised Statutes referring to customs officers specify the collector, surveyor, and naval officer. But as in several instances (see sec. 2553, Rev. Stat.) provision is made for the collector and surveyor without the naval officer, there should be no difficulty in providing for the collector and naval officer without the surveyor; and in any event the naval officer's

duties could be outlined without any reference whatever to the other officers of the port in the new bill creating the position. The duties of a naval officer are also defined in sections 1604 and 1609 of the Customs Regulations of 1899.

If I can serve you further in this or any other matter, I am at your service.

Very truly, yours,

R. B. ARMSTRONG.

HON. JAMES R. MANN, M. C.,
House of Representatives, United States.

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